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Region X
Colorado
Wyoming
Montana

UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Security Administration
Denver 3, Colo.

Nov. 1, 1945

FARM OWNERSHIP LOANS FROM THE FARM SECURITY ADMINISTRATION

The Bankhead-Jones Farm Tenant Act of 1937 authorizes the Farm Security Administration to make long-term loans to tenants, farm laborers, and veterans with farming experience for the purpose of buying farms. Applicants shall be unable to obtain credit from regular sources. The loans are at three percent interest and the maximum repayment period is 40 years. Farm ownership families have access to all services available to farmers with rehabilitation loans from FSA.

For the 1945-46 fiscal year, Congress appropriated a total of \$50,000,000 for farm ownership loans in all counties of the United States. One-half this sum is ear-marked for loans to veterans of World War II only. The other \$25,000,000 is for loans to qualified farmers other than veterans of World War II.

Farm ownership loans may be made in any county. Applications for loans should be made through the county FSA supervisor. Eligibility for a loan is determined by the county FSA committee of three local farmers. The first step for an applicant is to contact the county supervisor and make application to be declared eligible for the program. After establishing eligibility, an applicant is directed to select a farm and obtain an option on it. FSA has option forms for this purpose. Before any farm is purchased, it is carefully appraised on the basis of its long-time earning capacity and a determination is made as to the possibility that the farm will provide a good living for the family and also enable them to retire the loan.

Since farm prices are inflated in many areas, it is not always possible for a farm family to locate a place that will appraise out and also be beneath or equal to the loan ceiling established by Congress through the Tarver Amendment. This amendment provides that a loan may not be more than 15% in excess of the value of all farms in the county, as determined by the 1940 census. Thus each county will have an established ceiling which cannot be exceeded in terms of the loan made for land and buildings. This amendment does not apply to veterans of World War II.

There is a \$12,000 ceiling on all farm ownership loans which cannot be exceeded for any loan, whether it be to a veteran or a non-veteran. This is the maximum price for land and buildings in any county, and in no event can FSA lend more than \$12,000 for a farm ownership farm.

Farmers who establish eligibility are urged not to be discouraged if they experience difficulty in finding a suitable farm. County supervisors and committees are anxious to be of service and will assist eligible farmers in attempting to find satisfactory farms. Sometimes it will be necessary to rent for a year while continuing to look for a good place. In areas where land prices are highly inflated, it will not be possible to make farm ownership loans. Sound farmers will agree with the policy of the U. S.

Department of Agriculture that the government would only be doing farmers a dis-service to make loans at inflated prices.

Because of the success of the farm ownership program, which has enabled more than 38,000 U. S. tenants and farm workers to become land owners, Congress authorized the additional funds for veterans this fiscal year. Farm Security also makes rehabilitation or operating loans, which are five percent loans to be repaid in from one to five years. Rehabilitation loans are for feed, seed, livestock, machinery and family living expenses. The maximum to be loaned in a fiscal year is \$2500. It is possible for a farmer, and this includes eligible veterans, to obtain from FSA both a farm ownership and an operating loan.

Primary objective of the farm ownership program is to enable tenant farmers, farm workers and veterans with farming experience to buy farms and obtain security on the land. Farms so purchased should be of a type that can be operated with family labor, except at peak labor periods. The program is not designed to buy small acreages or farms or ranches larger than the average family can operate. Farm ownership loans are for the average farm family, and are for family-size farms that can be efficiently operated by the family.

Interested farmers may obtain full information about these loans from the nearest county FSA supervisor.

The loan limits by counties in the region are:

MONTANA

MONTANA (continued)

<u>County</u>	<u>Farm Loan Limit</u>	<u>County</u>	<u>Farm Loan Limit</u>
Beaverhead	\$ 12,000	Hill	\$ 8,559
Big Horn	12,000	Jefferson	8,523
Blaine	9,827	Judith Basin	12,000
Broadwater	12,000	Lake	6,584
Carbon	9,226	Lewis & Clark	12,000
Carter	6,167	Liberty	12,000
Cascade	12,000	Lincoln	3,798
Choteau	12,000	McCone	5,422
Custer	10,916	Madison	12,000
Daniels	7,696	Meagher	12,000
Dawson	5,763	Mineral	4,892
Deer Lodge	11,920	Missoula	9,931
Fallon	7,882	Musselshell	6,242
Fergus	11,134	Park	12,000
Flathead	7,483	Petroleum	5,413
Gallatin	12,000	Phillips	7,337
Garfield	3,283	Pondera	12,000
Glacier	11,288	Powder River	5,812
Golden Valley	6,756	Powell	12,000
Granite	12,000	Prairie	7,941

MONTANA (continued)

<u>County</u>	<u>Farm Loan Limit</u>
Ravalli	\$ 7,954
Richland	7,002
Roosevelt	7,430
Rosebud	11,893
Sanders	5,030
Sheridan	6,688
Silver Bow	5,462
Stillwater	9,587
Sweet Grass	12,000
Teton	12,000
Toole	12,000
Treasure	7,533
Valley	7,690
Wheatland	12,000
Wibaux	6,653
Yellowstone	10,770

COLORADO

<u>County</u>	<u>Farm Loan Limit</u>
Adams	\$ 11,625
Alamosa	9,066
Arapahoe	12,000
Archuleta	6,127
Baca	6,497
Bent	10,025
Boulder	12,000
Chaffee	8,651
Cheyenne	6,545
Clear Creek	12,000
Conejos	9,834
Costilla	6,703
Crowley	5,966
Custer	8,213
Delta	5,898
Denver	12,000
Dolores	3,625
Douglas	12,000
Eagle	12,000
Elbert	7,679
El Paso	7,829
Fremont	6,640
Garfield	8,915
Gilpin	6,266
Grand	12,000
Gunnison	12,000

COLORADO (continued)

<u>County</u>	<u>Farm Loan Limit</u>
Hinsdale	\$ 9,462
Huerfano	4,794
Jackson	12,000
Jefferson	12,000
Kiowa	5,753
Kit Carson	4,207
Lake	8,901
La Plata	5,744
Larimer	12,000
Las Animas	6,001
Lincoln	6,558
Logan	10,520
Mesa	7,416
Mineral	12,000
Moffat	8,928
Montezuma	4,527
Montrose	5,842
Morgan	10,599
Otero	9,663
Ouray	11,148
Park	12,000
Phillips	11,551
Pitkin	9,603
Prowers	7,769
Pueblo	10,076
Rio Blanca	12,000
Rio Grande	12,000
Routt	9,847
Sagauche	12,000
San Juan	--
San Miguel	7,081
Sedgwick	12,000
Summitt	12,000
Teller	5,813
Washington	5,901
Weld	12,000
Yuma	8,978

WYOMING

<u>County</u>	<u>Farm Loan Limit</u>
Albany	\$ 12,000
Big Horn	8,575
Campbell	12,000
Carbon	12,000
Converse	12,000
Crook	9,496
Fremont	8,012
Goshen	9,846
Hot Springs	10,879
Johnson	12,000
Laramie	12,000
Lincoln	9,863
Natrona	12,000
Niobrara	10,770
Park	12,000
Platte	11,427
Sheridan	12,000
Sublette	12,000
Sweetwater	12,000
Teton	12,000
Uinta	11,766
Washakie	12,000
Weston	12,000